SECRETARY OF DEFENSE WILLIAM J. PERRY REMARKS TO THE MEDIA SCOTT AIR FORCE BASE, IL JULY 7, 1994

Secretary Perry: ...one of a series of visits I'm making. When I became the Secretary five months ago, I decided I was going to visit each of the major commands. There are nine major commands around the world. I started off doing that on about a once a month basis. This is my fourth such visit. It's part of my philosophy of what we call management by walking around-going to places and talking to people and seeing with my own eyes and hearing with my own ears what people are doing.

This particular command is especially interesting, because all of our military power, I believe we have the greatest military capability than any force in the world, but it's not useful here in the United States. It has to be projected overseas. Nothing can be done without this Transportation Command. It's absolutely critical to our success, and they have, of course, done a fantastic job. Desert Storm was the most dramatic example, I think.

- Q: Mr. Secretary, there's going to be a lot of talk in Washington this fall pertaining to the military. There are many that are saying that we're losing our might slowly but surely. How do you respond to that?
- A: We are reducing the size of our forces. We have about a one-third reduction from the mid '80s to the mid '90s. So, to that extent, there is a reduction in terms of the quantity. In terms of the quality of our force and in terms of the readiness, it is better than ever, I believe. My primary priority as the Secretary of Defense is to maintain the readiness of the force on a unit-to-unit basis, on a person-to-person basis. In fact, one of the principal objectives I have in coming to these commands here is to talk directly with the leaders here. Not just to the leaders down, talking to people in the force, too, to get their opinion on how well

we're maintaining our readiness. What they can be doing differently, what I can be doing differently to improve readiness. I have a good feeling about the readiness of the force.

- Q: What was General Fogleman's response to that question? What's his feeling about military readiness?
- A: He gave me a very detailed briefing. It's not a yes or a no answer. Looking at each of the components of the force, and he has strung out for me dozens of them. In each of those he has--in probably over-simplified form--red, yellow, and green. Green as ready; yellow, there's some problem here; and red, a big problem. We went through each of those cases, and every time there was a yellow or a green we stopped and speculated on what the problem is, what are you doing about it, and what can I do as Secretary of Defense to help you. Most of them were green.
- Q: How close are we to getting into an intervention in Haiti, moving soldiers there? I hear there are 12 boats there now, and that they have been doing some maneuvers around the Gulf of Mexico and into Florida.
- A: We have a lot of boats-12 might be the right number--outside Haiti, but they're there as part of a blockade to enforce the sanctions. Our program with Haiti today is pressuring the military government of Haiti to step down. We're doing that through sanctions. That's what those ships are there for.

The President has said, and I can repeat now, that we do not rule out--we don't rule either in or out--the use of military force. But that's not what those forces are down there for. They're down there for enforcing the sanctions.

- Q: Will Scott be involved at all if we go into Haiti?
- A: Scott is involved in everything the military forces do, because we cannot do anything without moving the forces and this is the nerve center, this is the headquarters for moving.
- Q: Have they gotten any indication that they should be prepared to be ready?
- A: Scott is always ready. We expect them to always be ready. Indeed, when we were reviewing the readiness this morning, there are different designations for readiness. But in terms of how many days it would take to be able to actually perform the transportation, it's measured in couples of days, not in weeks or months.
 - Q: What's your position on how many C-17s the country needs?
- A: A lot. The first point I would make about the C-17 is that in spite of the controversy, in spite of the debate that you keep reading about the C-17, there is no significant debate within the Pentagon, within the military forces, on the need for the C-17. A lot of programs are controversial. That's an underlying issue,

whether you even need it. That is not a question of the C-17. All services, and all leaders of the services, and all leaders of the Department of Defense believe strongly in the need for the C-17.

The issue in the C-17 has been one of performance and cost. We're proceeding on a program now which allows us to determine a year or two from now how many C-17s we'll buy. That's a function, primarily, of the performance and cost which McDonnell Douglas demonstrates over the next year or two.

Q: Will 40 be enough?

A: We would want more than 40. General Fogleman's briefing to me today said that the number he gave me for the optimum number is more than 40. I won't tell you what it was, but it was more than 40. We will certainly try to get more than 40, again, depending on the performance and cost.

Q: What about downsizing and what affect that will have on McDonnell Douglas? All the talk about downsizing, and it's a major contractor.

A: There are two different issues in downsizing. The downsizing of the military forces, first of all, and that's been underway since the late '80s and will go on, probably, through FY96, then we expect to plateau. So we're more than two-thirds of the way through the downsizing right now.

There's also the downsizing of the industrial base which is probably the point of your question. We're much farther along in the downsizing of the industrial base. That happened quicker and more deeply. I believe we're close to a stable or an equilibrium point on the industrial base.

Not all companies have fully reflected the decrease in their market with a decrease in their overhead structure and their personnel. But McDonnell Douglas is, I think, one of the companies that has anticipated that, and moved pretty far along. So, I think in a very brief phrase, the worst is over on the downsizing, both for the active duty forces and for the defense industrial base.

Thanks very much.